



**UNAUDITED CONSOLIDATED AND SEPARATE FINANCIAL
STATEMENTS FOR THE SIX MONTH PERIOD ENDED
30 JUNE 2025**

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CORPORATE INFORMATION

DIRECTORS:

Mr. Olatunde Busari (SAN)	Chairman
Mr. Nonso Okpala	Group Managing Director
Mr. Folajimi Adeleye	Executive Director
Mrs. Morenike Ominike	Executive Director
Mr. Azubike Emodi	Non- Executive Director
Mr. Mobolaji Adewumi	Non- Executive Director
Mr. Kelvin Orogun	Non- Executive Director
Mr. Hubert Asamoah	Non- Executive Director
Mr. Abe Ibraheem	Non-Executive Director
Mr. Adeniyi Adenubi	Non- Executive Director
Mr. Adegboyega Fatoki	Independent Non- Executive Director
Ms. Omolola Bolusire	Independent Non- Executive Director
Dr. Nneka Okekearu	Independent Non- Executive Director
Ms. Rashida Saleh	Independent Non- Executive Director

RC No.

RC 829196

COMPANY SECRETARY:

Oluwagbeminiyi Shoda

REGISTERED OFFICE:

8, MacGregor Road
Ikoyi
Lagos

BANKERS:

United Bank for Africa Plc
Zenith Bank Plc
First Bank of Nigeria Limited
Providus Bank Plc
Access Bank Plc
VFD Microfinance Bank Limited
Greenwich Merchant Bank Limited
Abbey Mortgage Bank Plc

AUDITORS:

PricewaterhouseCoopers
Landmark Towers
5b, Water Corporation Road
Oniru, Victoria Island
Lagos, Nigeria

CERTIFICATION PURSUANT TO SECTION 60(2) OF INVESTMENT AND SECURITIES ACT No. 29 OF 2007

We, the undersigned, hereby certify the following with regards to our Unaudited Consolidated Financial Statements for the period ended 30 June 2025, that:

- a) We have reviewed the report;
- b) To the best of our knowledge, the report does not contain:
 - i) any untrue statement of a material fact, or
 - ii) omit to state a material fact, which would make statements misleading in the light of circumstances under which such statements were made;
- c) To the best of our knowledge, the financial statements and other financial information included fairly represent in all material respects the financial condition and result of the operation of the Company as of June 30, 2025 and for the period presented in the report
- d) We:
 - i) are responsible for establishing and maintaining internal control
 - ii) have designed such internal controls to ensure that material information relating to the Company is made known to such officers by others within those entities particularly during the year in which those periodic reports are being prepared
 - iii) have evaluated the effectiveness of the Company's internal controls as of date within 90 days prior to the report
- e) We have disclosed to the auditors of the Company and audit committee
 - i) all significant deficiency in the design or operation of internal controls which would adversely affect the Company's ability to record, process, summarize and report financial data and have identified for the company's auditors, any material weakness in internal controls, and
 - ii) Any fraud, whether or not material, that involves management or other employees who have significant roles in the Company's internal controls
- f) We have identified in the report whether or not there were significant changes in internal controls or other factors that could significantly affect internal controls subsequent to the date of evaluation, including any corrective actions with regard to significant deficiencies and material weaknesses



Raphael Olope
FRC/2013/PRO/ICAN/001/00000001354
Chief Financial Officer
29-Jul-25



Nonso Okpala
FRC/2013/PRO/DIR/003/00000004697
Group Managing Director
29-Jul-25

CONSOLIDATED AND SEPARATE STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
for the period ended 30 June 2025

	Notes	Group		Company	
		30 June 2025 ₦'000	30 June 2024 ₦'000	30 June 2025 ₦'000	30 June 2024 ₦'000
Gross earnings		41,174,361	28,594,632	14,693,056	10,620,905
Investment and similar income (Note 4.1)	4	37,581,877	25,137,690	11,847,272	9,344,693
Investment and similar expense	5.2	(1,916,648)	(1,282,004)	-	-
Net investment income		35,665,229	23,855,686	11,847,272	9,344,693
Other income	6	645,744	3,447,656	756,814	1,276,212
Impairment of financial assets	9	(1,290,614)	(1,087,760)	-	-
Net gains on financial assets at fair valued through profit or loss	6.1b	2,924,762	-	2,077,352	-
Net revenue		37,945,121	26,215,582	14,681,438	10,620,905
Personnel expenses	7	(2,894,229)	(2,018,041)	(403,012)	(317,301)
Other operating expenses	8	(6,698,503)	(6,431,970)	(2,576,339)	(1,590,539)
Depreciation and amortisation	11	(1,195,567)	(1,221,794)	(161,960)	(116,375)
Total expenses		(10,788,298)	(9,671,805)	(3,141,310)	(2,024,215)
Operating profit before income tax		27,156,823	16,543,777	11,540,127	8,596,690
Finance Cost	5.1	(21,141,067)	(13,198,166)	(10,046,543)	(7,776,847)
Share of profit from associate	6.2	21,977	9,286	11,618	-
Profit before income tax		6,037,733	3,354,897	1,505,203	819,843
Taxation	10	(1,027,886)	(772,444)	(331,145)	(245,953)
Profit for the period		5,009,847	2,582,453	1,174,058	573,890
Other comprehensive income, net of income tax					
<i>Items that will not be reclassified subsequently to profit or loss</i>					
Fair value movement on equity securities	34.1	6,869,347	302,065	6,998,429	333,048
Impact of adopting IAS 29 on 1 January 2025		-	-	-	-
<i>Items that may be reclassified subsequently to profit or loss</i>					
Unrealised foreign currency translation difference	34 & 35	5,307,220	-	-	-
Fair value movement on debt instruments	34.1	-	-	-	-
Other comprehensive income for the period, net of taxes		12,176,567	302,065	6,998,429	333,048
Total comprehensive income for the period		17,186,414	2,884,518	8,172,487	906,938
Profit for the period attributable to:					
Equity holders of the Company		3,718,621	1,943,997	1,174,058	573,890
Non Controlling Interest		1,291,225	638,456	-	-
		5,009,847	2,582,453	1,174,058	573,890
Other comprehensive income attributable to:					
Equity holders of the Company		9,038,209	227,386	6,998,429	333,048
Non Controlling Interest		3,138,358	74,679	-	-
		12,176,567	302,065	6,998,429	333,048
Earning per share-basic (kobo)	13	49	26	15	8
Earning per share-diluted (kobo)	13	49	26	15	8

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED AND SEPARATE STATEMENTS OF FINANCIAL POSITION
as at 30 June 2025

Notes	Group		Company		
	30 June 2025 ₦'000	31 December 2024 ₦'000	30 June 2025 ₦'000	31 December 2024 ₦'000	
ASSETS					
Cash and cash equivalents	14	18,157,896	13,345,756	3,348,053	1,224,998
Funds under management	15	78,687,993	49,381,873	-	-
Investment in financial assets	16	87,624,071	50,990,113	60,121,546	54,996,205
Loans and advances	17	37,623,793	62,300,053	-	-
Investment in subsidiaries	18	-	-	31,961,306	30,555,337
Investment in associates	12	7,225,201	6,735,675	6,616,668	5,856,295
Property, plant and equipment	19	10,436,971	12,649,467	879,131	574,185
Goodwill	20.1b	1,378,903	5,533,579	-	-
Intangible assets	20	338,341	341,853	28,003	21,476
Investment property	21	32,089,785	24,832,638	8,856,831	8,802,000
Inventory	21.1	15,220,806	11,811,786	-	-
Trade and Other receivables	22	66,324,360	55,657,599	32,494,907	25,222,297
Deferred tax assets	23.1	1,766,713	2,088,977	1,337,417	1,337,417
TOTAL ASSETS		356,874,835	295,669,368	145,643,863	128,590,210
LIABILITIES					
Funds under management	24	82,273,959	49,599,852	-	-
Borrowings	25	123,511,168	121,427,577	99,025,910	83,961,449
Other liabilities	26	36,213,389	25,207,790	7,891,038	10,896,491
Deposit liabilities	27	40,625,171	34,900,483	-	-
Current tax liabilities	28	3,356,638	3,092,376	818,945	725,811
Deferred tax liabilities	23.2	2,539,634	2,915,065	873,115	873,115
TOTAL LIABILITIES		288,519,959	237,143,143	108,609,008	96,456,866
SHAREHOLDERS' FUND					
Share capital	29	3,800,548	633,425	3,800,548	633,425
Share premium	30	15,945,971	19,216,943	15,945,971	19,216,943
Retained earnings	31	15,679,424	10,876,675	6,348,626	4,090,442
Regulatory risk reserve	32	185,424	185,424	-	-
Statutory reserve	33	392,698	392,698	-	-
Other reserves	34	14,459,687	10,800,230	10,939,709	8,192,534
Attributable to equity holders of the parent		50,463,751	42,105,396	37,034,855	32,133,344
Non-controlling interest	35	17,891,125	16,420,829	-	-
TOTAL SHAREHOLDERS' FUND		68,354,876	58,526,225	37,034,855	32,133,344
TOTAL LIABILITIES AND SHAREHOLDERS' FUND		356,874,835	295,669,368	145,643,863	128,590,210

The accompanying notes form an integral part of these financial statements.

The financial statements were approved by the Board of Directors on 29 July 2025 and signed on its behalf by:



Olatunde Busari (SAN)
(Chairman)
FRC/2019/PRO/NBA/004/00000019449

Additionally certified by:



Raphael Olope
Chief Financial Officer
FRC/2013/PRO/ICAN/001/0000001354



Nonso Okpala
(Group Managing Director)
FRC/2013/PRO/DIR/003/00000004697

CONSOLIDATED AND SEPARATE STATEMENTS OF CHANGES IN EQUITY
for the period ended 30 June 2025

(a)

Group	Share Capital N'000	Share Premium N'000	Retained Earnings N'000	Regulatory risk reserve N'000	Statutory reserve N'000	Other Reserves N'000	Non-controlling interest N'000	Total N'000
At 1 January 2025	633,425	19,216,943	10,876,675	185,424	392,699	10,800,230	16,420,829	58,526,224
Impact of IAS 29 adoption	-	-	-	-	-	-	-	-
	633,425	19,216,943	10,876,675	185,424	392,699	10,800,231	16,420,829	58,526,224
Reclassification	-	-	-	-	-	(1,203,286)	(2,986,836)	(4,190,122)
Transfer from profit or loss account	-	-	3,718,621	-	-	-	1,291,225	5,009,846
Other comprehensive income								
Fair value movement on equity instruments	-	-	-	-	-	5,083,317	1,786,030	6,869,347
Unrealised foreign currency translation difference	-	-	-	-	-	3,927,343	1,379,877	5,307,220
Total comprehensive income	-	-	-	-	-	9,010,660	3,165,907	12,176,567
Transactions with owners in their capacity as owners								
Transfer between reserves	-	-	4,147,917	-	-	(4,147,917)	-	-
Right issue	-	-	-	-	-	-	-	-
Bonus issue	3,167,123	(3,167,123)	-	-	-	-	-	-
Transfer between reserves	-	(103,849)	103,334	-	-	-	-	(514)
Dividend paid	-	-	(3,167,123)	-	-	-	-	(3,167,122)
At 30 June 2025	3,800,548	15,945,971	15,679,424	185,424	392,698	14,459,687	17,891,125	68,354,876
Company								
At 1 January 2025	633,425	19,216,943	4,090,442	-	-	8,192,534	-	32,133,344
Transfer from profit or loss account	-	-	1,174,058	-	-	-	-	1,174,058
Other comprehensive income								
Transfer between reserves	-	-	4,147,917	-	-	(4,147,917)	-	-
Fair value movement on equity instruments	-	-	103,334	-	-	6,895,095	-	6,998,429
Total comprehensive income for the year	-	-	4,251,251	-	-	2,747,178	-	6,998,429
Transactions with owners in their capacity as owners								
Transfer between reserves	-	-	-	-	-	-	-	-
Right issue	-	-	-	-	-	-	-	-
Bonus issue	3,167,123	(3,167,123)	-	-	-	-	-	-
Dividend paid	-	-	(3,167,123)	-	-	-	-	(3,167,123)
Reclassification	-	(103,849)	-	-	-	-	-	(103,849)
At 30 June 2025	3,800,548	15,945,971	6,348,626	-	-	10,939,709	-	37,034,855
Group								
	Share Capital N'000	Share Premium N'000	Retained Earnings N'000	Regulatory risk reserve N'000	Statutory reserve N'000	Other Reserves N'000	Non-controlling interest N'000	Total N'000
At 1 January 2024	95,014	7,880,427	4,964,371	16,085	209,403	7,434,061	11,931,208	32,530,569
Impact of IAS 29 adoption	-	-	(138,660)	-	-	-	-	(138,660)
IAS 29 adjusted balance at 1 January 2024	95,014	7,880,427	4,825,711	16,085	209,403	7,434,061	11,931,208	32,391,909
Transfer from profit or loss account	-	-	6,264,938	-	-	-	2,428,105	8,693,043
Other comprehensive income								
Fair value movement on equity instruments	-	-	-	-	-	1,075,112	634,539	1,709,651
Unrealised foreign currency translation difference	-	-	-	-	-	2,429,717	1,426,977	3,856,694
Total comprehensive income	-	-	-	-	-	3,504,829	2,061,515	5,566,345
Transactions with owners in their capacity as owners								
Transfer between reserves	-	-	(352,635)	169,339	183,296	-	-	-
Right issue	31,671	11,843,256	-	-	-	-	-	11,874,927
Bonus issue	506,740	(506,740)	-	-	-	-	-	-
At 31 December 2024	633,425	19,216,943	10,738,014	185,424	392,699	10,938,890	16,420,829	58,526,225
Company								
At 1 January 2024	95,014	7,880,427	936,116	-	-	7,754,480	-	16,666,037
Transfer from profit or loss account	-	-	2,183,505	-	-	-	-	2,183,505
Other comprehensive loss/(income)								
Fair value movement on equity instruments	-	-	970,821	-	-	(970,821)	-	-
Total comprehensive income for the year	-	-	-	-	-	1,408,875	-	1,408,875
Transactions with owners in their capacity as owners								
Right issue	31,671	11,843,256	-	-	-	-	-	11,874,927
Bonus issue	506,740	(506,740)	-	-	-	-	-	-
At 31 December 2024	633,425	19,216,943	4,090,442	-	-	8,192,534	-	32,133,344

The accompanying notes form an integral part of these financial statements.

**CONSOLIDATED AND SEPARATE STATEMENTS OF CASHFLOWS
for the period ended 30 June 2025**

	Notes	Group		Company	
		30 June 2025 ₦'000	30 June 2024 ₦'000	30 June 2025 ₦'000	30 June 2024 ₦'000
Profit before tax		6,037,733	3,354,897	1,505,203	819,843
Adjustments for:					
Interest from placements & investment income	4	(9,635,209)	(6,444,779)	-	-
Interest from debt instruments at EIR	4	(2,693,369)	(1,801,535)	-	-
Dividend income	4	(2,362,084)	(1,579,946)	(2,234,922)	(991,874)
Interest from loans & advances	4	(6,289,068)	(4,206,619)	-	-
Finance cost	5.1	21,141,067	14,480,170	10,046,543	7,776,847
Exchange gain	6	(5,582,394)	(2,170,109)	(31,315)	-
Gain on disposal of property, plant and equipment	6	(1,415)	-	(1,415)	-
Net gain from financial assets at FVTPL	6.1b	(2,924,762)	-	-	-
Impairment of financial assets	9	1,290,614	1,087,760	-	-
Depreciation and amortisation	11	1,195,567	1,221,794	161,960	116,375
Share of profit from associate	12	(21,977)	-	(11,618)	-
Other items		220,529	-	(390,449)	(124,177)
		375,232	3,941,632	9,043,986	7,597,013
Movement in working capital					
Trade and Other receivables		(11,051,320)	(46,508,184)	(3,738,281)	(2,034,546)
Funds under management		5,531,999	10,590,241	-	-
Loans and advances		22,591,386	19,396,997	-	-
Inventories		(3,409,020)	(11,333,594)	-	-
Deposit liabilities		24,441,820	14,169,574	-	-
Other liabilities		11,301,467	13,788,495	(3,005,454)	(278,541)
Cash used in operations		49,781,564	4,045,161	2,300,251	5,283,927
Income taxes paid	28	(295,867)	(175,568)	(55,757)	(58,411)
Net cash generated from operating activities		49,485,697	3,869,595	2,244,495	5,225,516
Cash flows from investing activities					
Purchase of investment property	21	(7,257,147)	(4,039,201)	(54,831)	(4,815,912)
Purchase of property, plant and equipment	19	(1,476,102)	(2,853,755)	(517,303)	(151,467)
Purchase of intangible assets	20	(13,000)	(32,080)	(13,000)	(32,080)
Additions to investment in subsidiaries/associates		(6,218,272)	(3,679,201)	(5,750,722)	(3,870,055)
Proceeds on disposal of property, plant and equipment		18,858	83,948	18,858	83,948
Proceed on partial disposal of investment in subsidiary		4,182,314	-	4,182,314	-
Dividend received		2,362,084	501,596	813,197	991,874
Net cash generated used in investing activities		(8,401,266)	(10,018,693)	(1,321,489)	(7,793,692)
Cash flows from financing activities					
Dividend paid to owners of equity capital	31	(3,167,123)	-	(3,167,123)	-
Proceeds from share issue		-	12,180,052	-	12,180,052
Proceeds from borrowings		10,920,569	19,968,400	15,064,461	17,126,751
Repayment of borrowings		(44,903,035)	(14,480,170)	(10,806,916)	(23,429,398)
Net cash (used)/generated by financing activities		(37,149,589)	17,668,282	1,090,422	5,877,405
Net increase in cash and cash equivalents		3,934,842	11,519,183	2,013,428	3,309,229
Effect of foreign exchange changes on cash		877,298	49,658	109,627	756,157
Cash and cash equivalents at beginning of year	14	13,345,756	8,373,710	1,224,998	354,134
Cash and cash equivalents at end of period	14	18,157,896	19,942,550	3,348,053	4,419,520

The accompanying notes form an integral part of these financial statements.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS
For the period ended 30 June 2025

1 Company information

The financial statements is the consolidated financial statements of VFD Group Plc, a company incorporated in Nigeria and its subsidiaries (hereafter referred to as 'the Group').

VFD Group Plc was incorporated on 7 July 2009 as a private limited liability company under the Companies and Allied Matters Act, CAP C20 LFN 2004. It commenced operations on 21 December 2010. Its name, formerly Viadaz FD Limited, was changed to VFD Group Limited by a special resolution of the Board on 1 February 2016. The change of name was registered at Corporate Affairs Commission on 14 March 2016.

The name of the Company was again changed to VFD Group Plc by a special resolution of the Board and with the authority of the Corporate Affairs Commission on 28 January 2019.

The principal activity of the Company is to carry on business as an investment company and for that purpose to acquire and hold either in its name or that of any nominee, shares, stocks, debentures and other securities issued by any company wherever incorporated. The principal activities of the subsidiaries cover real estate and hospitality, logistics and haulage, lending and technology services.

VFD Group Plc is domiciled in Nigeria and its registered address is at 8 Macgregor road, Ikoyi, Lagos.

The consolidated and separate financial statements for the period ended 30 June 2025 comprise the Company and its subsidiaries (together referred to as "the Group" and individually as "Group entities"). The separate financial statements is that of the Company. The consolidated and separate financial statements for the period ended 30 June 2025 were approved for issue by the Board of Directors on 29 July 2025.

2 Summary of material accounting policies

The principal accounting policies adopted by the Group in the preparation of these consolidated and separate financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

a Going concern

These financial statements have been prepared on the going concern basis. The Group has no intention or need to reduce substantially its business operations. The Management believes that the going concern assumption is appropriate for the group due to sufficient capital adequacy ratio and projected liquidity, based on historical experience that short term obligations will be refinanced in the normal course of business. Liquidity ratio and continuous evaluation of current ratio of the Group is carried out by the group to ensure that there are no going concern threats to the operation of the Group.

b Basis of preparation and measurement

The consolidated and separate financial statements for the period ended 30 June 2025 have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the IASB. Additional information required by national regulations is included where appropriate.

The financial statements have been prepared under the historical cost convention with the exception of the following:

- Derivative financial instruments which are measured at fair value; and
- Non-derivative financial instruments, carried at fair value through profit or loss, or fair value through OCI are measured at fair value

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires the Directors to exercise their judgement in the process of applying the Group's accounting policies. Changes in assumptions may have a significant impact on the financial statements in the period the assumptions changed. The Directors believe that the underlying assumptions are appropriate and that the Group's financial statements therefore present the financial position and results fairly. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in the Notes.

c Statement of compliance with International Financial Reporting Standards

The consolidated and separate financial statements comply with the requirement of the International Financial Reporting Standard, Companies and Allied Matters Act 2020, Investment and Securities Act Cap S127 LFN 2004, the Financial Reporting Council of Nigeria (Amendment) Act 2023 to the extent that they are not in conflict with the International Financial Reporting Standards (IFRS).

d Use of estimates and judgments

The preparation of the consolidated and separate financial statements in conformity with IFRSs requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimate is revised, if the revision affects only that year, or in the year of the revision and future years, if the revision affects both current and future years.

Information about significant areas of estimation uncertainties and critical judgments in applying accounting policies that have the most significant effect on the amounts recognised in the consolidated and separate financial statements are described in the notes to the financial statements.

NOTES TO THE CONSOLIDATED & SEPARATE FINANCIAL STATEMENTS
For the period ended 30 June 2025

2.1 New Standards and Interpretations

In 2025, the International Accounting Standards Board (IASB) introduced several new standards and amendments to existing International Financial Reporting Standards (IFRS). While these pronouncements have effective dates in the future, it is essential to disclose them in the Group's 2025 consolidated and separated audited financial statements to inform stakeholders about upcoming changes. Below is a summary of these new standards and amendments:

2.1.1 Standards and interpretations effective and adopted in the current year

In 2025, the International Accounting Standards Board (IASB) introduced several amendments to existing International Financial Reporting Standards (IFRS) that became effective for annual reporting periods beginning on or after January 1, 2025. These amendments aim to enhance clarity and consistency in financial reporting. The key amendments effective in 2025 are:

Amendments to IAS 21 – Lack of Exchangeability

Effective Date: 1 January 2025

Overview: These amendments provide guidance on determining the exchange rate when a currency is not exchangeable into another currency. They require entities to apply a consistent approach in such scenarios and disclose the method used to estimate the exchange rate.

2.1.2 Standards and interpretations not yet effective

In 2025, the International Accounting Standards Board (IASB) issued several new standards and amendments to existing International Financial Reporting Standards (IFRS) that have effective dates in future reporting periods. These pronouncements are essential for entities to consider in their financial reporting to ensure compliance and transparency. Below is a summary of these new standards and amendments:

IFRS 18: Presentation and Disclosure in Financial Statements

Effective Date: 1 January 2027 (early application permitted)

Overview: IFRS 18 introduces a new structure for the statement of profit or loss, requiring entities to classify income and expenses into operating, investing, and financing categories. It also mandates new subtotals, such as operating profit. Early adopters must disclose the fact of early application.

The Group has not early adopted this standard for the current financial reporting period. The standard is not expected to have any significant impact on the Group's financial statements.

IFRS 19: Subsidiaries without Public Accountability: Disclosures

Overview: This standard permits eligible subsidiaries to apply reduced disclosure requirements while still complying with IFRS recognition and measurement principles.

The Group has not early adopted this standard for the current financial reporting period. The standard is not expected to have any significant impact on the Group's financial statements.

Amendments to IFRS 9 and IFRS 7: Classification and Measurement of Financial Instruments

Effective Date: 1 January 2026

Overview: These amendments address the classification and measurement of financial assets, including those with environmental, social, and governance (ESG) features, and provide guidance on settlement of financial liabilities by electronic payments.

The Group has not early adopted this standard for the current financial reporting period. The amendment is not expected to have any significant impact on the Group's financial statements.

2.2 Consolidation

The financial statements of the subsidiaries used to prepare the consolidated financial statements were prepared as of the parent company's reporting date. The consolidation principles are unchanged as against the previous year.

Subsidiaries

The consolidated and separate financial statements incorporates the financial statements of the Company and all its subsidiaries where it is determined that there is a capacity to control. The Group controls an entity where the Group is exposed to or has right to variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Control is assessed on a continuous basis.

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All the facts of a particular situation are considered when determining whether control exists. Control is usually present when an entity has:

- power over more than one-half of the voting rights of the other entity;
- power to govern the financial and operating policies of the other entity;
- power to appoint or remove the majority of the members of the board of directors or equivalent governing body; or
- power to cast the majority of votes at meetings of the board of directors or equivalent governing body of the entity.

a. Separate financial statements

Investments in subsidiaries are accounted for at cost less accumulated impairment losses (where applicable) in the separate financial statements. The carrying amounts of these investments are reviewed annually for impairment indicators and, where an indicator of impairment exists, are impaired to the higher of the investment's fair value less costs to sell and value in use.

b. Consolidated financial statements

Subsidiaries are consolidated from the date on which control is transferred to the Group and cease to be consolidated from the date that control ceases. Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions (transactions with owners). Any difference between the amount by which the noncontrolling interest is adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to the Group.

Inter-company transactions, balances and unrealised gains on transactions between companies within the Group are eliminated on consolidation. Unrealised losses are also eliminated in the same manner as unrealised gains, but only to the extent that there is no evidence of impairment. Consistent accounting policies are used throughout the Group for the purposes of consolidation.

i. Acquisition

The acquisition method of accounting is used to account for the acquisition of subsidiaries by the Group. The consideration transferred is measured as the sum of the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the acquisition date. The consideration includes any asset, liability or equity resulting from a contingent consideration arrangement. The obligation to pay contingent consideration is classified as either a liability or equity based on the terms of the arrangement. The right to a return of previously transferred consideration is classified as an asset. Transaction costs are recognised within profit or loss as and when they are incurred. Where the initial accounting is incomplete by the end of the reporting year in which the business combination occurs (but no later than 12 months since the acquisition date), the Group reports provisional amounts. Where applicable, the Group adjusts retrospectively the provisional amounts to reflect new information obtained about facts and circumstances that existed at the acquisition date and affected the measurement of the provisional amounts. Identifiable assets acquired, liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date, irrespective of the extent of any NCI. The excess (shortage) of the sum of the consideration transferred (including contingent consideration), the value of NCI recognised and the acquisition date fair value of any previously held equity interest in the subsidiary over the fair value of identifiable net assets acquired is recorded as goodwill in the statement of financial position (gain on bargain purchase, which is recognised directly in profit or loss). When a business combination occurs in stages, the previously held equity interest is remeasured to fair value at the acquisition date and any resulting gain or loss is recognised in profit or loss. Increases in the Group's interest in a subsidiary, when the Group already has control, are accounted for as transactions with equity holders of the Group. The difference between the purchase consideration and the Group's proportionate share of the subsidiary's additional net asset value acquired is accounted for directly in equity.

ii. Loss of Control

The Group could lose control of a subsidiary through the disposal of the subsidiary. When the Group loses control of a subsidiary, the profit or loss on disposal is calculated as the difference between the fair value of the consideration received (including the fair value of any retained interest in the underlying investee) and the carrying amount of the assets and liabilities and any non-controlling interest. Any gains or losses in OCI that relate to the subsidiary are reclassified to profit or loss at the time of the disposal.

iii. Partial Disposal

Where the Group partially disposes a subsidiary which gives rise to a reduction in the Group's ownership interest in an investee that is not a disposal (i.e. a reduction in the group's interest in a subsidiary whilst retaining control). Decreases in the Group's interest in a subsidiary, where the Group retains control, are accounted for as transactions with equity holders of the Group. Gains or losses on the partial disposal of the Group's interest in a subsidiary are computed as the difference between the sales consideration and the Group's proportionate share of the investee's net asset value disposed of and are accounted for directly in equity.

iv Initial measurement of Non-Controlling Interest (NCI)

The Group elects on each acquisition to initially measure NCI on the acquisition date at either fair value or at the NCI's proportionate share of the investees' identifiable net assets.

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2.3 Associates

An associate is an entity in which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control over these policies. Significant influence is generally demonstrated by the Group holding in excess of 20%, but less than 50%, of the voting rights.

The Group's share of results of the associate entity is included in the consolidated income statement. Investments in associates are carried in the statement of financial position at cost plus the Group's share of post-acquisition changes in the net assets of the associate. Investments in associates are reviewed for any indication of impairment at least at each reporting date. The carrying amount of the investment is tested for impairment, where there is an indication that the investment may be impaired.

When the Group's share of losses or other reductions in equity in an associate equals or exceeds the recorded interest, including any other unsecured receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the entity. The Group's share of the results of associates is based on financial statements made up to a date not earlier than three months before the balance sheet date, adjusted to conform with the accounting policies of the Group. Unrealised gains and losses on transactions are eliminated to the extent of the Group's interest in the investee. Losses may provide evidence of impairment of the asset transferred in which case appropriate allowance is made for impairment.

In the separate financial statements of the Company, investments in associates are initially recognised at cost and subsequently adjusted for by the post-acquisition changes in the investor's share of net assets of the investees. The Group uses the equity method in accounting for investments in associates.

2.4 Foreign currency transactions and balances

(a) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (functional currency). The parent entity's functional currency (Nigerian Naira) is adopted as the presentation currency for the separate and consolidated financial statements. Except as otherwise indicated, financial information presented in Naira has been rounded to the nearest thousand.

(b) Transactions and balances

Foreign currency transactions and balances are translated into the functional currency (Naira) using the exchange rates prevailing at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Differences arising on settlement or translation of monetary items are recognised in profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e. translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

(c) Group companies

Except for those subsidiaries operating in a hyper-inflationary economy (as shown in note 2.23), the results and financial position of all the Group entities that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- i) assets and liabilities for statement of financial position presented are translated at the closing rate at the reporting date;
- ii) income and expenses for each statement of profit or loss and other comprehensive income are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the rate on the dates of the transactions); and
- iii) all resulting exchange differences are recognised in other comprehensive income and presented within equity as foreign currency translation reserves.

On the disposal of a foreign operation, the Group recognises in profit or loss the cumulative amount of exchange differences relating to that foreign operation. When a subsidiary that includes a foreign operation is partially disposed of or sold, the Group re-attributes the proportionate share of the cumulative amount of the exchange differences recognised in other comprehensive income to the non-controlling interests in that foreign operation. In the case of any other partial disposal of a foreign operation, the Group reclassifies to profit or loss only the proportionate share of the cumulative amount of exchange differences recognised in other comprehensive income.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate at the reporting date.

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2.5 Current and deferred income tax

Income tax expense comprises current and deferred tax.

Income tax expense is recognized in profit or loss except to the extent that results of transactions relate to items recognized directly in equity, in which case it is recognized in equity.

Current income tax is calculated on the basis of estimated taxable income for the year using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax recoverable or payable in respect of previous years.

Deferred income tax is recognized, using the liability method, on all temporary differences arising between the tax bases of assets and liabilities and their carrying values for financial reporting purposes based on tax rates and laws that have been enacted or substantively enacted at the reporting period date and are expected to apply when the related deferred income tax liability is settled.

Deferred tax assets and liabilities are recorded under non-current assets and liabilities.

2.6 Non-derivative Financial Instruments

Definition

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. A financial asset or liability is recognized when the Group becomes a party to the contractual provisions of the instrument.

Initial recognition and measurement

Financial instruments are recognised initially when the Company becomes a party to the contractual provisions of the instruments.

Financial instruments carried at amortised cost and fair value through other comprehensive income are initially measured at fair value plus transaction costs that are directly attributable to the acquisition or issue of the financial instruments.

Financial instruments are recognised or de-recognised on the date the Company settles the purchase or sale of the instruments (settlement date accounting) in the following events viz:

- i) the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- ii) the contractual terms of the financial asset give rise on specified dates to cash flows that are Solely Payments of Principal and Interest (SPPI).
- iii) the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- iv) the contractual terms of the financial asset give rise on specified dates to cash flows that are SPPI.

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in fair value in OCI. This election is made on an investment-by-investment basis.

All other financial assets are classified as measured at FVTPL.

In addition, on initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial liabilities

The Company classifies financial liabilities into two categories: financial liabilities measured at amortised cost and financial liabilities measured at fair value through profit or loss (FVTPL). By default, the Company measures its financial liabilities at amortised cost. However, there are exceptions to this approach. If a financial liability is held for trading purposes, it must be measured at FVTPL. Additionally, the Company may choose to designate a financial liability at FVTPL by applying the fair value option, as permitted under IFRS.

The Group's business models fall into three categories, which are indicative of the key strategies used to generate returns.

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Business model assessment

The Company makes an assessment of the objective of a business model in which an asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- (a) the stated policies and objectives for the portfolio and the operation of those policies in practice. In particular, whether management's strategy focuses on earning contractual interest revenue, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of the liabilities that are funding those assets or realising cash flows through the sale of the assets;
- (b) how the performance of the portfolio is evaluated and reported to the Company's management;
- (c) the risks that affect the performance of the business model (and the financial assets held within that business model) and its strategy for how those risks are managed;
- (d) how managers of the business are compensated (e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected); and
- (e) the frequency, volume and timing of sales in prior periods, the reasons for such sales and its expectations about future sales activity. However, information about sales activity is not considered in isolation, but as part of an overall assessment of how the Company's stated objective for managing the financial assets is achieved and how cash flows are realised.

Financial assets that are held for trading or managed and whose performance is evaluated on a fair value basis are measured at FVTPL because they are neither held to collect contractual cash flows nor held both to collect contractual cash flows and to sell financial assets.

Assessment of whether contractual cash flows are solely payments of principal and interest (SPPI)

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as profit margin.

In assessing whether the contractual cash flows are SPPI, the Company considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making the assessment, the Company considers

- (a) contingent events that would change the amount and timing of cash flows;
- (b) leverage features;
- (c) prepayment and extension terms;
- (d) terms that limit the Company's claim to cash flows from specified assets (e.g. non-recourse loans);
- (e) features that modify consideration of the time value of money (e.g. periodical reset of interest loans)

Non-recourse loans

Loans made by the Company that are secured by collateral of the borrower may limit the Company's claim to cash flows of the underlying collateral (non-recourse loans). The Company applies judgment in assessing whether the non-recourse loans meet the SPPI criterion. The Company typically considers the following information when making this judgement:

In assessing whether the contractual cash flows are SPPI, the Company considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making the assessment, the Company considers

- (a) whether the contractual arrangement specifically defines the amounts and dates of the cash payments of the loan;
- (b) the fair value of the collateral relative to the amount of the secured financial asset;
- (c) the ability and willingness of the borrower to make contractual payments, notwithstanding a decline in the value of collateral;
- (d) the Company's risk of loss on the asset relative to a full-recourse loan;
- (e) the extent to which the collateral represents all or a substantial portion of the borrower's assets; and
- (f) whether the Company will benefit from any upside from the underlying assets.

Reclassifications

Financial assets are not reclassified subsequent to their initial recognition, except in the period after the company changes its business model for managing financial assets.

Subsequent measurement

Subsequent to initial recognition, financial instruments are measured at amortized cost, fair value through profit or loss (FVTPL), or fair value through other comprehensive income (FVOCI), depending on their classification:

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(i) Financial assets at amortized cost

Financial assets at amortized cost are non-derivative financial assets with fixed or determinable payments. These include Cash and cash equivalents, Placements with bank, Mortgage Refinance loans, Staff loans, other receivables, treasury bills and a portfolio of investments in bonds.

The carrying amounts of these assets are measured at amortised cost using the effective interest method, less any impairment losses. Transaction costs that are integral to the effective rate are capitalised to the value of the loan and receivable and amortised through interest income as part of the effective interest rate.

(ii) Financial assets at fair value through other comprehensive income (FVOCI)

FVOCI financial assets are non-derivative financial assets. The Company's investments in a portfolio of bonds, treasury bills and equity instruments are classified as FVOCI financial assets.

Subsequent to initial recognition, they are measured at fair value and changes therein, other than impairment losses are recognised in other comprehensive income and presented within equity in the fair value reserve.

Expected credit loss (ECL) on FVOCI financial assets is not deducted from the asset itself but is instead recognized in profit or loss and other comprehensive income (OCI) as part of the fair value reserves.

When an investment is derecognised, the cumulative gain or loss in other comprehensive income is transferred to profit or loss except for those gains or losses on equity instruments.

(iii) Other financial liabilities

Other financial liabilities are measured at amortised cost subsequent to initial recognition. The Company's borrowings and debt securities and other liabilities are included in this category.

Fair value measurement

'Fair value' is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the company has access at that date. The fair value of a liability reflects its non-performance risk.

When one is available, the company measures the fair value of an instrument using the quoted price in an active market for that instrument. A market is regarded as 'active' if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

If there is no quoted price in an active market, then the company uses valuation techniques that maximise the use of relevant observable inputs and minimise the use of unobservable inputs. The chosen valuation technique incorporates all of the factors that market participants would take into account in pricing a transaction.

The best evidence of the fair value of a financial instrument on initial recognition is normally the transaction price – i.e. the fair value of the consideration given or received. If the company determines that the fair value on initial recognition differs from the transaction price and the fair value is evidenced neither by a quoted price in an active market for an identical asset or liability nor based on a valuation technique for which any unobservable inputs are judged to be insignificant in relation to the difference, then the financial instrument is initially measured at fair value, adjusted to defer the difference between the fair value on initial recognition and the transaction price. Subsequently, that difference is recognised in profit or loss on an appropriate basis over the life of the instrument but no later than when the valuation is wholly supported by observable market data or the transaction is closed out.

If an asset or a liability measured at fair value has a bid price and an ask price, then the company measures assets and long positions at a bid price and liabilities and short positions at an ask price.

Portfolios of financial assets and financial liabilities that are exposed to market risk and credit risk that are managed by the company on the basis of the net exposure to either market or credit risk are measured on the basis of a price that would be received to sell a net long position (or paid to transfer a net short position) for the particular risk exposure. Portfolio-level adjustments – e.g. bid-ask adjustment or credit risk adjustments that reflect the measurement on the basis of the net exposure – are allocated to the individual assets and liabilities on the basis of the relative risk adjustment of each of the individual instruments in the portfolio.

The fair value of a financial liability with a demand feature (e.g. a demand deposit) is not less than the amount payable on demand, discounted from the first date on which the amount could be required to be paid.

The company recognises transfers between levels of the fair value hierarchy as of the end of the reporting period during which the change has occurred.

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Impairment of financial assets

The Group recognises loss allowances for expected credit losses (ECL) on financial assets that are debt instruments and that are not measured at fair value through profit or loss (FVTPL).

No impairment loss is recognised on equity investments.

The Group measures loss allowances at an amount equal to lifetime ECL, except for the following, for which they are measured as 12-month ECL:

- debt investment securities that are determined to have low credit risk at the reporting date; and
- other financial instruments on which credit risk has not increased significantly since their initial recognition

The Group considers a debt investment security to have low credit risk when its credit risk rating is equivalent to the globally understood definition of 'investment grade'. The Group does not apply the low credit risk exemption to any other financial instruments.

12-month ECL are the portion of ECL that result from default events on a financial instrument that are possible within the 12 months after the reporting date. Financial instruments for which a 12-month ECL is recognised are referred to as 'Stage 1 financial instruments'.

Life-time ECL are the ECL that result from all possible default events over the expected life of the financial instrument. Financial instruments for which a lifetime ECL is recognised but which are not credit-impaired are referred to as 'Stage 2 financial instruments'.

- financial assets that are not credit-impaired at the reporting date: as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Company expects to receive); and
- financial assets that are credit-impaired at the reporting date: as the difference between the gross carrying amount and the present value of estimated future cash flows;

Measurement of ECL

The Group applies the Expected Credit Loss (ECL) model in accordance with IFRS 9 – Financial Instruments to measure impairment on financial assets. The ECL model is designed to provide a forward-looking assessment of credit losses, replacing the previous incurred loss model.

The ECL model is applied to the following financial assets:

Loans and advances to customers

Debt instruments at amortized cost and fair value through other comprehensive income (FVOCI)

Trade and other receivables

Financial guarantee contracts and loan commitments

Cash and cash equivalents (where applicable)

Restructured financial assets

If the terms of a financial asset are renegotiated or modified or an existing financial asset is replaced with a new one due to financial difficulties of the borrower, then an assessment is made of whether the financial asset should be derecognised and ECL are measured as follows:

- If the expected restructuring will not result in derecognition of the existing asset, then the expected cash flows arising from the modified financial asset are included in calculating the cash shortfalls from the existing asset.
- If the expected restructuring will result in derecognition of the existing asset, then the expected fair value of the new asset is treated as the final cash flow from the existing financial asset at the time of its derecognition.
- This amount is included in calculating the cash shortfalls from the existing financial asset that are discounted from the expected date of derecognition to the reporting date using the original effective interest rate of the existing financial asset.

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Credit-impaired financial assets

At each reporting date, the Company assesses whether financial assets carried at amortised cost and debt financial assets carried at FVOCI are credit-impaired (referred to as 'Stage 3 financial assets'). A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default or past due event;
- the restructuring of a loan or advance by the Company on terms that the Company would not consider otherwise;
- it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties.

A loan that has been renegotiated due to a deterioration in the borrower's condition is usually considered to be credit-impaired unless there is evidence that the risk of not receiving contractual cash flows has reduced significantly and there are no other indicators of impairment. In addition, a retail loan that is overdue for 90 days or more is considered credit-impaired even when the regulatory definition of default is different.

In making an assessment of whether an investment in sovereign debt is credit-impaired, the Company considers the following factors.

- The market's assessment of creditworthiness as reflected in the bond yields.
- The rating agencies' assessments of creditworthiness.
- The country's ability to access the capital markets for new debt issuance.
- The probability of debt being restructured, resulting in holders suffering losses through voluntary or mandatory debt forgiveness.

The international support mechanisms in place to provide the necessary support as 'lender of last resort' to that country, as well as the intention, reflected in public statements, of governments and agencies to use those mechanisms. This includes an assessment of the depth of those mechanisms and, irrespective of the political intent, whether there is the capacity to fulfil the required criteria.

Inputs into ECL measurement

The key inputs into the measurement of ECL are the term structure of the following variables:

- probability of default (PD);
- loss given default (LGD); and
- exposure at default (EAD).

ECL for exposures in Stage 1 is calculated by multiplying the 12-month PD by LGD and EAD. Lifetime ECL is calculated by multiplying the lifetime PD by LGD and EAD.

The methodology of estimating PDs is discussed under the heading 'Generating the term structure of PD'.

Loss Given Default (LGD) is the measure of the proportion of the outstanding balance that the Company stands to lose in the event of a default. The LGD as a percentage of EAD is then a combination of the losses associated with the debt instrument. Multi-year LGD is a collection of LGD values referring to different time periods over the lifetime of a financial asset. The LGD model considers the collateral value and class, unsecured recovery rate, collateral hair cut, recovery costs and time to recovery of any collateral that is integral to the financial asset. For loans secured by real estate property, loan to value (LTV) ratios are a key parameter in determining LGD.

Exposure at Default (EAD) is the measure of the expected outstanding balance on a facility at a given time of default. Multi-year EAD is a collection of the monthly EAD values referring to different time periods over the lifetime of a financial asset.

The outstanding balance on financial assets at every time period depends primarily on the nature of its cash flows. All financial assets in the scope of IFRS 9 can be classified into assets with deterministic cash flows and assets with stochastic cash flows. However, all assets with the Company possess deterministic cash flows, therefore they can be modelled based on their repayment types in the following categories:

- Bullet repayment
- Annuity repayment
- Linear repayment
- Unstructured repayment

However, the loans and advances of the Company are computed on an annuity repayment basis.

As described above, and subject to using a maximum of a 12-month PD for Stage 1 financial assets, the Company measures ECL considering the risk of default over the maximum contractual period (including any borrower's extension options) over which it is exposed to credit risk, even if, for credit risk management purposes, the Company considers a longer period. The maximum contractual period extends to the date at which the Company has the right to require repayment of an advance.

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Presentation of allowance for ECL in the statement of financial position

Loss allowances for ECL are presented in the statement of financial position as follows:

- financial assets measured at amortised cost: as a deduction from the gross carrying amount of the assets; and
- debt instruments measured at FVOCI: no loss allowance is recognised in the statement of financial position because the carrying amount of these assets is their fair value. However, the loss allowance is disclosed and is recognised in the fair value reserve.

Write-off

Loans and debt securities are written off (either partially or in full) when there is no reasonable expectation of recovering a financial asset in its entirety or a portion thereof. This is generally the case when the Company determines that the borrower does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. This assessment is carried out at the individual asset level.

Recoveries of amounts previously written off are included in 'impairment losses on financial instruments' in the statement of profit or loss and OCI.

Offsetting financial instruments

Financial assets and liabilities are set off and the net amount presented in the statement of financial position when, and only when, the Company has a legal right to set off the amounts and intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

Income and expenses are presented on a net basis only when permitted under IFRSs or for gains and losses arising from a group of similar transactions.

Derecognition

(i) Financial assets

The Company derecognizes a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred, or in which the company neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

Any interest in transferred financial assets that is created or retained by the Company is recognised as a separate asset or liability.

On derecognition of a financial asset, the difference between the carrying amount of the asset (or the carrying amount allocated to the portion of the asset derecognised) and the sum of (i) the consideration received (including any new asset obtained less any new liability assumed) and (ii) any cumulative gain or loss that had been recognised in OCI is recognised in profit or loss.

Any cumulative gain/loss recognised in OCI in respect of equity investment securities designated as at FVOCI is not recognised in profit or loss on derecognition of such securities.

The Company derecognizes a financial liability when its contractual obligations are discharged, cancelled or expire.

Modification of financial assets and liabilities

(i) Financial assets

If the terms of a financial asset are modified, then the company evaluates whether the cash flows of the modified asset are substantially different.

If the cash flows are substantially different, then the contractual rights to cash flows from the original financial asset are deemed to have expired. In this case, the original financial asset is derecognised and a new financial asset is recognised at fair value plus any eligible transaction costs. Any fees received as part of the modification are accounted for as follows:

– fees that are considered in determining the fair value of the new asset and fees that represent reimbursement of eligible transaction costs are included in the initial measurement of the asset; and

– other fees are included in profit or loss as part of the gain or loss on derecognition.

If cash flows are modified when the borrower is in financial difficulties, then the objective of the modification is usually to maximise recovery of the original contractual terms rather than to originate a new asset with substantially different terms. If the company plans to modify a financial asset in a way that would result in forgiveness of cash flows, then it first considers whether a portion of the asset should be written off before the modification takes place. This approach impacts the result of the quantitative evaluation and means that the derecognition criteria are not usually met in such cases.

If the modification of a financial asset measured at amortised cost or FVOCI does not result in derecognition of the financial asset, then the company first recalculates the gross carrying amount of the financial asset using the original effective interest rate of the asset and recognises the resulting adjustment as a modification gain or loss in profit or loss. For floating-rate financial assets, the original effective interest rate used to calculate the modification gain or loss is adjusted to reflect current market terms at the time of the modification. Any costs or fees incurred and modification fees received adjust the gross carrying amount of the modified financial asset and are amortised over the remaining term of the modified financial asset. If such a modification is carried out because of financial difficulties of the borrower, then the gain or loss is presented together with impairment losses. In other cases, it is presented as interest income calculated using the effective interest rate method.

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(ii) Financial liabilities

The Company derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability derecognised and the consideration paid is recognised in profit or loss. Consideration paid includes non-financial assets transferred, if any, and the assumption of liabilities, including the new modified financial liability.

If the modification of a financial liability is not accounted for as derecognition, then the amortised cost of the liability is recalculated by discounting the modified cash flows at the original effective interest rate and the resulting gain or loss is recognised in profit or loss. Any costs and fees incurred are recognised as an adjustment to the carrying amount of the liability and amortised over the remaining term of the modified financial liability by re-computing the effective interest rate on the instrument.

Mortgage refinance loans

The 'mortgage refinance loans' caption in the statement of financial position includes loans and advances measured at amortised cost ; these are initially measured at fair value plus incremental direct transaction costs, and subsequently at their amortised cost using the effective interest method.

Investment Securities

The 'investment securities' caption in the statement of financial position includes:

- debt investment securities measured at amortised cost ; these are initially measured at fair value plus incremental direct transaction costs, and subsequently at their amortised cost using the effective interest method;
- debt securities measured at FVOCI; and
- equity investment securities designated as at FVOCI.
- For debt securities measured at FVOCI, gains and losses are recognised in OCI, except for the following, which are recognised in profit or loss in the same manner as for financial assets measured at amortised cost:
 - interest revenue using the effective interest method;
 - ECL and reversals; and
 - foreign exchange gains and losses.

When debt security measured at FVOCI is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss.

The Company elects to present changes in the fair value of certain investments in equity instruments that are not held for trading in OCI. The election is made on an instrument-by-instrument basis on initial recognition and is irrevocable.

Fair value gains and losses on such equity instruments are never reclassified to profit or loss and no impairment is recognised in profit or loss. Dividends are recognised in profit or loss unless they clearly represent a recovery of part of the cost of the investment, in which case they are recognised in OCI. Cumulative gains and losses recognised in OCI are transferred to retained earnings on disposal of an investment.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS
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2.7 Revenue recognition

(a) Interest income and interest expense

Interest income and interest expense for all interest-bearing financial instruments are recognized within 'interest income' and 'interest expense' in profit or loss using the effective interest rate method.

The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial asset or financial liability to the gross carrying amount of a financial asset (i.e. its amortized cost before any impairment allowance) or to the amortized cost of a financial liability. The calculation does not consider expected credit losses and includes transaction costs, premiums or discounts and fees and points paid or received that are integral to the effective interest rate, such as origination fees.

Once a financial asset or a group of similar financial assets has been written down as a result of an impairment loss, investment income is recognised using the rate of interest used to discount the future cash flows for the purpose of measuring the impairment loss.

(b) Fees and commission income

Fee and commission income and expense that are integral to the effective interest rate on a financial asset or liability are included in the measurement of the effective interest rate. For other fees and commission income, it is the Group's policy to recognize revenue from a contract when it has been approved by both parties, rights have been clearly identified, payment terms have been defined, the contract has commercial substance, and collectability has been ascertained as probable. Revenue is recognized when control of goods or services have been transferred. Control of an asset refers to the ability to direct its use and obtain substantially all of the remaining benefits associated with the asset.

(c) Dividend income

Dividends are recognized when the Group's right to receive the payment is established, which is usually when shareholders approve the dividend.

2.8 Impairment of non-financial assets

The carrying amounts of the Group's non-financial assets other than deferred tax assets are assessed at the end of each reporting date to determine whether there is any indication of impairment. If any such indication exists then the asset's recoverable amount is estimated.

The recoverable amount of an asset or, if the recoverable amount of single assets cannot be determined, for the smallest identifiable group of assets that generates independent cash flows from their continuous use, referred to as cash generating units, is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows expected to be derived from the use of the asset and, if significant and reasonably determinable, from its disposal at the end of its useful life, net of disposal costs are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

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Cash flows are determined on the basis of reasonable and documented assumptions that represent the best estimate of the future economic conditions during the remaining useful life of the asset, giving more importance to independent assumptions.

An impairment loss is recognized if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. Impairment losses are recognized in profit or loss.

Impairment losses recognized in respect of cash-generating units are allocated first to reduce the carrying amount of any asset allocated to the units and then to reduce the carrying amount of the other assets in the unit (group of units) on a pro rata basis.

Impairment losses recognized in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognized. Reversals of impairment losses are recognized in profit or loss.

2.9 Property, plant and equipment

The Group's property, plant and equipment comprise land, leasehold improvement, plant and machinery, office equipment, computer equipment, furniture and fittings and motor vehicle.

Recognition and measurement

All categories of property, plant and equipment are initially recognized at their purchase cost including any costs directly attributable to bringing the asset into operation when the following conditions are met:

- (a) their values can be reasonably determined,
- (b) the economic benefit will accrue to the Group.

Property, plant and equipment are subsequently stated at historical cost less accumulated depreciation and accumulated impairment losses, if any.

Subsequent costs

The cost of replacing part of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group and its cost can be measured reliably. The carrying amount of the replaced part is derecognized. The costs of ordinary day-to-day servicing and maintenance of property, plant and equipment are recognized in profit or loss as incurred.

Depreciation

The depreciable amount of an asset is its cost less the estimated residual value at the end of its useful life, if this is significant and can be reasonably determined. Depreciation begins when an asset is available for use and ceases at the earlier of the date that the asset is derecognized.

Depreciation is recognised in profit or loss on a straight line basis to write down the cost of each asset, to their residual values over the estimated useful lives of each part of an item of property, plant and equipment. Leased assets under finance lease are depreciated over the shorter of the lease term and their useful lives. The following annual rates are applied.

Land	Not depreciated
Leasehold improvement	Over the lease period
Building	Over the unexpired lease period
Plant and machinery	33.33%
Computer equipment	33.33%
Office equipment	33.33%
Furniture and fittings	25.00%
Motor vehicle	25.00%

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The assets' residual values, useful lives and method of depreciation are reviewed, and adjusted prospectively if appropriate at the end of each reporting period.

De-recognition

An item of property, plant and equipment and any significant part initially recognized is derecognized on disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss of the asset being derecognized.

2.10 Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Group as a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

i) Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

Motor vehicles 3 to 5 years

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right-of-use assets are also subject to impairment. Refer to the accounting policies in section (s) Impairment of non-financial assets.

ii) Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate.

Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

The Group's lease liabilities are included in Interest-bearing loans and borrowings

iii) Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

Group as a lessor

Leases in which the Group does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms and is included in revenue in the statement of profit or loss due to its operating nature. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

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2.11 Goodwill and Intangible assets

a Goodwill

Goodwill represents the excess of the cost of the acquisition over the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities of the acquired subsidiaries at the date of acquisition. When the excess is negative, it is recognised immediately in profit or loss; Goodwill on acquisition of subsidiaries is included in intangible assets. Subsequent to initial recognition, goodwill is measured at cost less accumulated impairment losses.

Subsequent measurement

Goodwill is allocated to cash-generating units or groups of cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose. Goodwill is tested annually as well as whenever a trigger event has been observed for impairment by comparing the present value of the expected future cash flows from a cash generating unit with the carrying value of its net assets, including attributable goodwill and carried at cost less accumulated impairment losses. Impairment losses on goodwill are not reversed. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

b Software

Acquired computer software licenses are capitalized on the basis of the costs incurred to acquire and bring to use the specific software when their values can be reasonably determined and economic benefits will accrue to the Group. Computer software is stated at cost less amortization and impairment losses.

Subsequent expenditure

- Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates. Costs associated with maintaining computer software programmes are recognized as expenses when incurred.

Amortisation

- Computer software are amortized over the useful economic life estimated as the period over which the assets will be used by the Group. The amortisation period and the amortisation method are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. Amortisation rate for intangible asset is as follows:

Computer software	33.33%
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Derecognition of intangible assets

An intangible asset is derecognized on disposal, or when no future economic benefits are expected from its use. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset are recognized in profit or loss.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS
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2.12 Employee benefits

Short-term benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided.

A provision is recognized for the amount expected to be paid under short-term cash, bonus or profit sharing plans if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Post-employment benefits

Defined contribution plans

The Group operates a defined contribution plan in accordance with the provisions of the Pension Reform Act. The contribution of the employee and employer is 8% and 10% of the qualifying monthly emoluments (i.e. basic, housing and transport) of employees respectively. The Group's obligations for contributions to the plan are recognized as an expense in profit or loss when they are due.

2.13 Provisions

Provisions are recognized when the Group has a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligation as a whole. A provision is recognized even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

When the Group expects some or all of a provision to be reimbursed, the reimbursement is recognized as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit or loss net of any reimbursement.

2.14 Cash and cash equivalents

For the purposes of the consolidated statement of cash flows, cash and cash equivalents include cash in hand, unrestricted demand, call deposits with banks, and short term highly liquid financial assets (including money market funds), with original maturities of three months or less from the acquisition date, which are subject to insignificant risk of changes in their value and used by the Group in the management of its short-term commitments.

2.15 Share capital and reserves

Share capital

The issued ordinary shares of the Company are classified as equity instruments. Incremental costs directly attributable to the issue of an equity instrument are shown in equity as a deduction, net of tax, from the proceeds.

Share premium

Premiums from the issue of shares are reported in share premium.

Statutory reserve

Nigerian banking regulations require Microfinance Banks to make an annual appropriation to a statutory reserve. Section 8.1.7(a) of the Central Bank of Nigeria Revised Regulatory and Supervisory Guidelines for Microfinance Banks (MFBs) stipulates that an appropriation of 50% of profit after tax is made if the statutory reserve is less than 50% of the paid-up share capital, an appropriation of 25% of profit after tax is made if the statutory reserve is 50% or more but less than 100% of the paid up share capital and 12.5% of profit after tax if the statutory reserve is equal to 100% or more of the paid-up share capital.

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Regulatory risk reserve

The Nigerian banking regulator requires Microfinance Banks to create a reserve for the difference between impairment charge determined in line with the principles of IFRS and impairment charge determined in line with the prudential guidelines issued by the Central Bank of Nigeria (CBN). This reserve is not available for distribution to shareholders.

Other reserves

Comprises fair value movements on equity instruments at FVOCI.

Retained earnings

Retained earnings are the carried forward recognised income net of expenses plus current year profit attributable to shareholders.

Foreign currency translation reserve

This balance appears only in the Group accounts and represents the foreign currency exchange difference arising from translating the results and financial position of all the group entities that have a functional currency different from the presentation currency.

Dividends

Dividends on ordinary shares are recognized in equity in the period in which they are approved by the Company's shareholders. Dividends for the period that are declared after the reporting date are disclosed in the financial statements as a non-adjusting event

2.16 Earnings per share

The Group presents earnings per share (EPS) for its ordinary shares. Basic EPS is calculated by dividing profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the reporting period. Where there are shares that could potentially affect the number of shares issued, those shares are considered in calculating the diluted earnings per share. There are currently no share that could potentially dilute the total issued shares.

2.17 Fair value measurement

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability (i.e. the 'exit price') in an orderly transaction that is not a forced sale, liquidation sale or a distressed sale between market participants at the measurement date. Fair value is determined based on market conditions at the measurement date and the assumptions that market participants would use (i.e. it is a market-based measurement). Fair value measurement assumes the transaction to sell the asset or transfer the liability occurs in a principal market or, in the absence of a principal market, in the most advantageous market to which the entity has access. It does not consider an entity's intent to sell the asset or transfer the liability. Fair value measurements of non-financial assets take into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use. The highest and best use is determined from the perspective of market participants, even if the entity intends a different use.

An entity's current use of a non-financial asset is presumed to be its highest and best use unless market or other factors suggest that a different use by market participants would maximize the value of the asset. In the absence of quoted market prices, the fair value of a financial or non-financial liability or an entity's own equity instruments is taken as the fair value of the corresponding asset held by another market participant at the measurement date. Counterparty credit risk and own credit risk are taken into account in determining the fair value of a liability. In the absence of quoted market prices, an entity uses valuation techniques appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

For the period ended 30 June 2025

2.18 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

2.19 Expense recognition

Operating expenses

Expenses are decreases in economic benefits during the accounting period in the form of outflows, depletion of assets or incurrence of liabilities that result in decrease in equity, other than those relating to distributions to equity participants.

Expenses are recognized on an accrual bases regardless of the time of spending cash. Expenses are recognized in the income statement when a decrease in future economic benefit related to a decrease in an assets or an increase of a liability has arisen that can be measured reliably. Expenses are measured at historical cost.

Only the portion of cost of a previous period that is related to the income earned during the reporting period is recognized as an expense. Expenses that are not related to the income earned during the reporting period, but expected to generate future economic benefits, are recorded in the financial statements as assets. The portion of assets which is intended for earning income in the future periods shall be recognized as an expense when the associated income is earned.

Expenses are recognized in the same reporting period when they are incurred in cases when it is not probable to directly relate them to particular income earned during the current reporting period and when they are not expected to generate any income during the coming years.

2.20 Investment properties

Investment properties are properties held to earn rentals and/or capital appreciation (including property under construction for such purposes). Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are measured at fair value. All of the Group's property interests held under operating leases to earn rentals or for capital appreciation purposes are accounted for as investment properties and are measured using the fair value model. Gains and losses arising from changes in the fair value of investment properties are included in profit or loss in the period in which they arise.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period in which the property is derecognised.

2.21 Related party transactions

Transactions with related parties are conducted and recorded at arms' length and disclosed in accordance with IAS 24 "Related party disclosures".

2.22 Inventory

Properties acquired or being constructed for sale in the ordinary course of business, rather than to be held for rental and capital appreciation, is held as inventory and is measured at the lower of cost and net realisable value (NRV).

Cost includes:

a. Freehold and leasehold rights to land.

b. Amounts paid to contractors for construction.

c. Borrowing costs, planning and design costs, costs of site preparation, professional fees for legal services, property transfer taxes, construction overheads and other related costs.

NRV is the estimated selling price in the ordinary course of business, based on market prices at the reporting date and discounted for the time value of money if material, less estimated costs of completion and the estimated costs necessary to make the sale.

The cost of inventory recognised in the profit or loss on disposal is determined with reference to the specific costs incurred on the properties sold and an allocation of any non-specific costs based on the relative size of the property sold.

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2.23 Hyperinflationary accounting

Hyperinflationary accounting is applied to those subsidiary operations in countries where the three-year cumulative inflation rate is approaching or exceeding 100%. In 2024, this affected the Group's operations in Ghana. The Group applies IAS 29 Financial Reporting in Hyperinflationary Economies to the underlying financial information of relevant subsidiaries to restate their local currency results and financial position so as to be stated in terms of the measuring unit current at the end of the reporting period. Those restated results are translated into the Group's presentation currency (the Nigerian Naira) for consolidation at the closing rate at the balance sheet date. Group comparatives are not restated for the effect of hyperinflation and consequential adjustments to the opening balance sheet in relation to the hyperinflationary subsidiaries are presented in Other comprehensive income and reported in retained earnings. The hyperinflationary gain or loss in respect of the net monetary position of the relevant subsidiary is included in profit or loss and separately disclosed within other operating income.

When applying hyperinflationary accounting for the first time, the underlying information is restated in terms of the measuring unit current at the end of the reporting period as if the relevant economy had always been hyperinflationary. Group comparatives are not restated for such historical adjustments.

The restatement procedures applied for transactions and balances for the Ghana subsidiary are as follows:

- Corresponding figures as of, and for, the prior year ended for the subsidiary only, were restated by applying the change in the index from the end of the prior year to the end of the current year.
- Monetary assets and liabilities for the current year, were not restated as they already stated in terms of the measuring unit current at statement of financial position date;

- Non-monetary assets and liabilities, and components of shareholders equity/funds, were restated by applying the change in index from date/month of transaction
- Property, plant and equipment and intangible assets were restated by applying the change in the index from the date of transaction, to the statement of financial position date. Depreciation and amortisation amounts are based on the restated amounts;
- Profit or loss statement items/transactions, were restated by applying the change in index during the period to statement of financial position date.

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	Group		Company	
	30 June 2025 N'000	30 June 2024 N'000	30 June 2025 N'000	30 June 2024 N'000
11 Depreciation and amortisation				
Depreciation - Note 19	1,142,706	1,130,597	155,486	110,197
Amortisation (Note 20)	52,860	91,197	6,473	6,178
	1,195,567	1,221,794	161,960	116,375
	30 June 2025 N'000	31 December 2024 N'000	30 June 2025 N'000	31 December 2024 N'000
12 Investment in associates				
At 1 January	6,735,675	5,080,036	5,856,295	4,447,982
Reclassification during the year (Note 12.1)	-	5,864,068	-	5,587,068
Additions/(Disposals) (Note 12.2)	467,550	(4,242,816)	748,755	(4,221,981)
Share of profit from associate	21,977	34,387	11,618	43,226
At 30 June/December	7,225,201	6,735,675	6,616,668	5,856,295

12.1 The relates to reclassification of investment in Splittar from ordinary investment to an associate after the company acquired the associate threshold last year.

12.2 The disposal relates to divestment from Abbey Mortgage Bank last year which made the investment to fall within the threshold of ordinary investment.

	Group		Company	
	30 June 2025	30 June 2024	30 June 2025	30 June 2024
13 Earnings per share				
<i>Basic/diluted earnings per share</i>				
Basic earnings attributable to shareholders (N'000)	3,718,621	1,943,997	1,174,058	573,890
Weighted Average Number of Shares ('000)	7,601,100	7,601,100	7,601,100	7,601,100
*Earnings per share -basic (kobo)	49	26	15	8
Earnings per share -diluted (kobo)	49	26	15	8

Note that the EPS has been restated for the previous share for Bonus issue in line with the requirement of IAS 33

14 Cash and cash equivalents				
Cash in hand	150,345	56,618	2,261	54,258
Balance with banks and other financial institutions	16,861,476	11,182,629	3,345,793	1,170,740
Short term placements	1,146,075	2,106,509	-	-
	18,157,896	13,345,756	3,348,053	1,224,998

Cash and cash equivalents comprise balances with less than three months' maturity from the date of acquisitions, including cash in hand, deposits held at call with other banks and other short-term highly liquid investments with original maturities less than three months.

All bank balances and money market placements are assessed to have low credit risk at each reporting date as they are held with reputable financial institutions. Also, expected credit loss on cash and cash equivalents are immaterial.

	Group		Company	
	30 June 2025 N'000	31 December 2024 N'000	30 June 2025 N'000	31 December 2024 N'000
Classified as:				
Current	18,157,896	13,345,756	3,348,053	1,224,998
Non-current	-	-	-	-
	18,157,896	13,345,756	3,348,053	1,224,998

15 Funds under management - Asset				
Placements	77,005,015	40,759,568	-	-
Quoted equity instruments	2,555,004	2,798,746	-	-
Bonds and Treasury bills	516,485	7,048,827	-	-
	80,076,504	50,607,141	-	-
Less allowances for impairment on placements	(1,275,486)	(1,142,161)	-	-
Less allowances for impairment on investment securities	(113,024)	(83,107)	-	-
	78,687,993	49,381,873	-	-
15.1 Movement in loss allowance				
At 1 January	1,225,268	1,225,268	-	-
Charge during the period:				
Increase in loss allowance (Note 9)	163,243	-	-	-
At 30 June /December	1,388,511	1,225,268	-	-
Classified as:				
Current	78,284,533	42,416,153	-	-
Non-current	403,460	6,965,720	-	-
	78,687,993	49,381,873	-	-

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	Group		Company	
	30 June 2025	31 December 2024	30 June 2025	31 December 2024
16 Investment in financial assets				
Financial assets measured at amortised cost - (Note 16.1)	42,382,207	31,128,312	25,982,435	33,607,542
Financial assets measured at FVOCI - (Note 16.2)	34,059,892	8,650,560	21,261,345	12,231,462
Financial assets measured at FVTPL - (Note 16.3)	11,181,971	11,211,241	12,877,766	9,157,201
	87,624,071	50,990,113	60,121,546	54,996,205
Classified as:				
Current	42,382,207	31,128,312	25,982,435	33,607,542
Non current	45,241,863	19,861,801	34,139,111	21,388,663
	87,624,071	50,990,113	60,121,546	54,996,205
16.1 Financial assets measured at amortized cost				
Investment in debt securities	14,035,799	14,404,417	15,678,395	21,799,767
Fixed debt placements	21,424,423	15,049,343	10,555,503	9,519,739
Treasury bills	7,285,515	2,731,122	191,623	2,731,122
	42,745,737	32,184,882	26,425,521	34,050,628
Loss allowance on financial assets at amortized costs	(363,530)	(1,056,570)	(443,086)	(443,086)
	42,382,207	31,128,312	25,982,435	33,607,542
Movement in loss allowance				
At 1 January 2025	1,056,570	1,606,205	443,086	443,086
Movement during the year:				
Decrease in loss allowance (Note 9)	(693,040)	(549,635)	-	-
At 30 June 2025	363,530	1,056,570	443,086	443,086
16.2 Fair value through other comprehensive income (FVTOCI)				
Quoted equity securities	25,435,420	6,895,434	11,886,252	9,751,464
Fair value adjustments (16.2a)	8,624,472	1,755,126	9,375,093	2,479,998
	34,059,892	8,650,560	21,261,345	12,231,462
16.2a Changes in fair value reserve				
At 1 January	1,755,126	896,650	2,479,998	1,512,361
Gain on instruments at FVOCI	6,869,347	858,476	6,895,095	967,637
At 30 June 2025	8,624,472	1,755,126	9,375,093	2,479,998
16.3 Fair value through profit or loss (FVTPL)				
Unquoted equity securities	10,044,981	10,550,058	11,706,789	8,502,178
Mutual funds investments	1,136,990	661,183	1,170,977	655,023
	11,181,971	11,211,241	12,877,766	9,157,201
17 Loans and advances				
Loans and advances at amortised cost	39,382,768	64,959,422	-	-
Less loss allowance (17.1)	(1,758,975)	(2,659,369)	-	-
	37,623,793	62,300,053	-	-
Current	11,941,388	11,941,388	-	-
Non current	25,682,405	50,358,665	-	-
	37,623,793	62,300,053	-	-
17.1 Loss allowance on loans and advances				
At 1 January	2,659,369	1,789,023	-	-
Charge during the period:				
Loan allowance (write back)/charge	(900,393)	870,345	-	-
	1,758,975	2,659,369	-	-

Financial assets measured at amortized cost are assessed to have low credit risk at each reporting date based on their respective external credit ratings. As such, the Group assumes that the credit risk on these financial instruments have not increased significantly since initial recognition as permitted by IFRS 9 and recognises 12 month ECL for these assets.

18 Investment in subsidiaries	Holding	2025 Value		2024 Value		Country
		2025 Value	2024 Value	2025 Value	2024 Value	
VFD Microfinance Bank Limited	95%	6,502,222	85%	901,500	Nigeria	
Anchoria Asset Management Limited	54%	500,135	52%	350,135	Nigeria	
Anchoria Advisory Services Limited (formerly Kairos Capital Limited)	55%	146,850	55%	146,850	Nigeria	
Anchoria Securities Limited (formerly Anchoria Investment and Securities Limited)	60%	329,924	60%	329,924	Nigeria	
Herel Limited	82%	21,440,336	82%	21,440,336	Nigeria	
Atiat Limited	0%	-	57%	4,344,753	Nigeria	
VFD Tech Limited	95%	1,250,000	95%	1,250,000	Nigeria	
Template Limited	90%	200,000	90%	200,000	Nigeria	
VFD Ghana Limited	63%	1,591,838	63%	1,591,838	Ghana	
		31,961,306		30,555,337		

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19 (i)	Property, plant and equipment Group	Furniture & Fittings N'000	Motor vehicles N'000	Plant & Machinery N'000	Leasehold Improvement N'000	Office Equipment N'000	Computer Equipment N'000	Land and Building N'000	Right of Use Asset N'000	Work in-progress N'000	Total N'000
	Cost										
	At 1 January 2025	441,584	7,128,801	200,659	3,265,676	840,820	157,820	830,483	4,036,525	563,959	17,466,327
	Additions	359,049	399,905	50,122	-	330,850	195,764	140,412	-	-	1,476,102
	Disposals	(449)	(108,645)	-	-	-	(44,537)	-	-	-	(153,632)
	Adjustment**	-	(1,472,883)	-	-	-	-	-	(4,036,525)	-	(5,509,408)
	At 30 June 2025	800,184	5,947,177	250,782	3,265,675	1,171,670	309,047	970,895	-	563,959	13,279,391
	Accumulated Depreciation										
	At 1 January 2025	186,596	2,011,614	7,430	215,013	278,386	115,702	-	2,002,116	-	4,816,858
	Charge in the period	53,896	648,462	49,555	266,071	70,176	54,545	-	-	-	1,142,706
	Disposals	(449)	(89,418)	-	-	-	(87,956)	-	-	-	(177,822)
	Adjustment**	-	(937,207)	-	-	-	-	-	(2,002,116)	-	(2,939,323)
	At 30 June 2025	240,044	1,633,452	56,986	481,084	348,563	82,291	-	-	-	2,842,420
	Carrying amounts										
	At 30 June 2025	560,140	4,313,725	193,796	2,784,591	823,107	226,756	970,895	-	563,959	10,436,971
	Classified as:										
	Current	-	-	-	-	-	-	-	-	-	-
	Non-current	560,140	4,313,725	193,796	2,784,591	823,107	226,756	970,895	-	563,959	10,436,971
		560,140	4,313,725	193,796	2,784,591	823,107	226,756	970,895	-	563,959	10,436,971

** Adjustment to property, plant and equipment during the period relates mainly derecognition of ATIAT balances following full divestment in the period.

(ii)	Company	Furniture & Fittings N'000	Motor vehicles N'000	Plant & Machinery N'000	Leasehold Improvement N'000	Office Equipment N'000	Computer Equipment N'000	Land N'000	Right of Use asset N'000	Work in-progress N'000	Total N'000
	Cost										
	At 1 January 2025	248,851	364,197	-	178,228	77,953	69,280	-	-	760	939,269
	Additions	43,284	384,905	-	4,162	2,477	27,870	-	-	12,446	475,143
	Disposals/write offs	(449)	(108,645)	-	-	-	(16,321)	-	-	-	(125,416)
	Reclassifications	-	-	-	-	-	-	-	-	-	-
	At 30 June 2025	291,686	640,457	-	182,389	80,430	80,829	-	-	13,206	1,288,996
	Accumulated Depreciation										
	At 1 January 2025	74,513	176,021	-	44,790	32,456	37,304	-	-	-	365,084
	Charge in the period	31,594	78,867	-	22,452	13,185	9,388	-	-	-	155,486
	Disposals/write offs	(449)	(93,623)	-	-	-	(16,633)	-	-	-	(110,705)
	Reclassifications	-	-	-	-	-	-	-	-	-	-
	At 30 June 2025	105,658	161,265	-	67,242	45,641	30,059	-	-	-	409,865
	Carrying amounts										
	At 30 June 2025	186,028	479,192	-	115,148	34,789	50,769	-	-	13,206	879,131
	Classified as:										
	Current	-	-	-	-	-	-	-	-	-	-
	Non-current	186,028	479,192	-	115,148	34,789	50,769	-	-	13,206	879,131
		186,028	479,192	-	115,148	34,789	50,769	-	-	13,206	879,131

a) Estimates of useful life and residual value, and the method of depreciation, are reviewed at a minimum at each reporting period. Any changes are accounted for prospectively as a change in estimate.

b) There were no impairment losses on any class of property, plant and equipment during the period (31 December 2024: Nil).

c) There were no capitalised borrowing costs related to the acquisition of property, plant and equipment during the period (31 December 2024: Nil).

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19b (i) Property, plant and equipment		Furniture & Fittings	Motor vehicles	Plant & Machinery	Leasehold Improvement	Office Equipment	Computer Equipment	Land	Right of Use Asset	Work in-progress	Total
		£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Cost											
At 1 January 2024		739,450	4,019,542	209,864	6,665,231	725,973	191,444	1,232,208	4,036,525	71,282	17,891,518
Additions		25,889	3,467,439	66,689	1,328,528	205,015,341	45,306	226,101	-	492,677	5,857,644
Disposals		(323,755)	(358,181)	(75,893)	(312,349)	(90,168)	(78,929)	(627,825)	-	-	(1,867,100)
Reclassification from investment property** (see note 21)		-	-	-	(4,415,735)	-	-	-	-	-	(4,415,735)
At 31 December 2024		441,584	7,128,801	200,659	3,265,676	840,820	157,820	830,483	4,036,525	563,959	17,466,327
Accumulated Depreciation											
At 1 January 2024		278,940	938,333	7,269	183,300	268,806	139,814	-	1,383,970	-	3,200,432
Charge in the year		159,519	1,389,494	26,892	154,968	339,389	39,466	-	618,146	-	2,727,873
Disposals		(251,862)	(316,213)	(26,731)	(268,120)	(129,809)	(63,578)	-	-	-	(1,056,312)
Reclassification to investment property** (see note 21)		-	-	-	(55,134)	-	-	-	-	-	(55,134)
At 31 December 2024		186,596	2,011,614	7,430	215,013	278,386	115,702	-	2,002,116	-	4,816,859
Carrying amounts											
At 31 December 2024		254,988	5,117,186	193,229	3,050,663	562,434	42,118	830,483	2,034,409	563,959	12,649,468
Classified as:											
Current		-	-	-	-	-	-	-	-	-	-
Non current		254,988	5,117,186	193,229	3,050,663	562,434	42,118	830,483	2,034,409	563,959	12,649,468
		254,988	5,117,186	193,229	3,050,663	562,434	42,118	830,483	2,034,409	563,959	12,649,468
(ii) Company											
Cost											
At 1 January 2024		248,553	565,378	-	118,632	103,669	120,730	-	-	-	1,156,962
Additions		24,053	157,000	-	77,079	1,252	27,479	-	-	760	287,623
Disposals/write offs		(23,755)	(358,181)	-	(17,483)	(26,968)	(78,929)	-	-	-	(505,316)
Reclassifications		-	-	-	-	-	-	-	-	-	-
At 31 December 2024		248,851	364,197	-	178,228	77,953	69,280	-	-	760	939,269
Accumulated Depreciation											
At 1 January 2024		38,268	373,706	-	23,734	33,647	97,067	-	-	-	566,422
Charge in the year		60,000	77,865	-	38,539	25,777	17,843	-	-	-	220,023
Disposals/write offs		(23,755)	(275,549)	-	(17,483)	(26,968)	(77,606)	-	-	-	(421,361)
Reclassifications		-	-	-	-	-	-	-	-	-	-
At 31 December 2024		74,513	176,021	-	44,790	32,456	37,304	-	-	-	365,084
Carrying amounts											
At 31 December 2024		174,338	188,176	-	133,438	45,497	31,976	-	-	-	574,185
Classified as:											
Current		-	-	-	-	-	-	-	-	-	-
Non current		174,338	188,176	-	133,438	45,497	31,976	-	-	-	574,185
		174,338	188,176	-	133,438	45,497	31,976	-	-	-	574,185

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For the period ended 30 June 2025

20	Intangible assets	Group	Company
	Purchased software	₩'000	₩'000
	Cost		
	At 1 January 2025	688,779	34,290
	Addition	-	-
	Adjustment (Note 20.1a)	16,871	-
	At 30 June 2025	<u>705,650</u>	<u>47,290</u>
	Accumulated amortization		
	At 1 January 2025	346,926	12,814
	Charge in the period	52,860	2,695
	Adjustment (Note 20.1a)	(32,477)	-
	At 30 June 2025	<u>367,309</u>	<u>19,287</u>
	Carrying amounts		
	At 30 June 2025	<u>338,341</u>	<u>28,003</u>
	Current	-	-
	Non-current	<u>338,341</u>	<u>28,003</u>
		<u>338,341</u>	<u>28,003</u>
	Intangible assets	Group	Company
	Purchased software	₩'000	₩'000
	Cost		
	At 1 January 2024	672,695	88,415
	Addition	81,196	10,988
	Write off	(65,113)	(65,113)
	At 30 June 2024	<u>688,779</u>	<u>34,290</u>
	Accumulated amortization		
	At 1 January 2024	293,183	66,033
	Charge in the year	124,015	11,894
	Write off	(65,113)	(65,113)
	At 30 June 2024	<u>346,926</u>	<u>12,814</u>
	Carrying amounts		
	At 30 June 2024	<u>341,853</u>	<u>21,476</u>
	Current	-	-
	Non-current	<u>341,853</u>	<u>21,476</u>
		<u>341,853</u>	<u>21,476</u>
20.1a	The adjustment relates to the decognition of ATIAT balances following full divestment from the subsidiary in the period.		
20.1b	Goodwill		
	At 1 January 2025	5,533,579	-
	Arising on consolidation	-	-
	Adjustment (Note 20.2)	(4,154,676)	-
	At 30 June 2025	<u>1,378,903</u>	<u>-</u>
	At 1 January 2024	5,533,579	-
	Arising on consolidation	-	-
	Write off	-	-
	At 30 June 2024	<u>5,533,579</u>	<u>-</u>
	Current	-	-
	Non-current	<u>1,378,903</u>	<u>-</u>
		<u>1,378,903</u>	<u>-</u>

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

Goodwill is reviewed annually or more frequently for impairment when there are objective indicators that impairment may have occurred by comparing the carrying value to its recoverable amount.

20.2 The adjustment relates to the decognition of ATIAT balances following full divestment from the subsidiary in the period.

20.3 Goodwill is attributable to the acquisition of the following subsidiaries:

		2025	
		Group N'000	Company N'000
	Herel Limited (Dynasty Real Estate)	1,337,503	-
	Cedi Capital Microfinance Bank Ltd	41,400	-
		<u>1,378,903</u>	<u>-</u>
21	Investment property	Group N'000	Company N'000
a)	At 1 January 2025	24,832,638	8,802,000
	Addition	7,257,147	54,831
	Disposal	-	-
	At 30 June 2025	<u>32,089,785</u>	<u>8,856,831</u>
	Carrying amounts		
	At 30 June 2025	<u>32,089,785</u>	<u>8,856,831</u>
	At 31 December 2024	<u>24,832,638</u>	<u>8,802,000</u>
	Current	-	-
	Non-current	<u>32,089,785</u>	<u>8,856,831</u>
		<u>32,089,785</u>	<u>8,856,831</u>

21.1	Inventory	Group		Company	
		30 June 2025 N'000	31 December 2024 N'000	30 June 2025 N'000	31 December 2024 N'000
	Available-for-sale	10,574,380	10,574,379	-	-
	Work-in-progress	4,646,426	1,237,407	-	-
	At 30 June / December 2024	<u>15,220,806</u>	<u>11,811,786</u>	<u>-</u>	<u>-</u>
	Current	-	-	-	-
	Non-current	<u>15,220,806</u>	<u>11,811,786</u>	<u>-</u>	<u>-</u>
		<u>15,220,806</u>	<u>11,811,786</u>	<u>-</u>	<u>-</u>

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS
For the period ended 30 June 2025

	Group		Company	
	30 June 2025 R'000	31 December 2024 R'000	30 June 2025 R'000	31 December 2024 R'000
22 Trade and Other receivables				
Financial assets				
Account receivables	26,053,399	29,818,157	16,433,197	10,398,093
Due from related entities	3,008,336	769,896	-	47,764
Deposit for shares (note 22.1c)	10,646,738	10,837,387	9,689,475	10,820,810
Receivable from stockbrokers	8,937,640	5,385,640	-	-
Non-financial assets				
Prepayments	3,386,350	1,594,127	1,560,255	496,161
WHT receivable	2,993,280	4,123,324	173,875	211,484
Other receivables (Note 22.1a)	13,479,674	4,965,380	5,103,524	3,713,404
	68,505,417	57,493,911	32,960,326	25,687,716
Loss allowance on trade and other receivables (note 22.1)	(2,181,057)	(1,836,311)	(465,419)	(465,419)
	66,324,360	55,657,599	32,494,907	25,222,297
Current	55,677,622	44,820,212	22,805,431	14,401,487
Non current	10,646,738	10,837,387	9,689,475	10,820,810
	66,324,360	55,657,599	32,494,907	25,222,297
22.1 Loss allowance on trade and other receivables				
At 1 January	1,836,311	664,990	465,419	155,927
Additions/(writeback) of loss allowance	344,746	1,171,321	-	309,492
At 31 December	2,181,057	1,836,311	465,419	465,419
	Group		Company	
	30 June 2025 R'000	31 December 2024 R'000	30 June 2025 R'000	31 December 2024 R'000
23 Deferred tax				
23.1 Deferred tax assets				
Deferred tax asset	1,766,713	2,088,977	1,337,417	1,337,417
Deferred tax asset recoverable within 12 months	-	-	-	-
Deferred tax asset recoverable after 12 months	1,766,713	2,088,977	1,337,417	1,337,417
	1,766,713	2,088,977	1,337,417	1,337,417
	Group		Company	
	30 June 2025 R'000	31 December 2024 R'000	30 June 2025 R'000	31 December 2024 R'000
Movement in deferred tax assets				
At 1 January	2,088,977	2,041,790	1,337,417	1,550,440
Charge/(release) in the period	-	47,187	-	(213,023)
Adjustment (Note 23.1a)	(322,264)	-	-	-
At 31 December	1,766,713	2,088,977	1,337,417	1,337,417
The break down of deferred tax assets are as follows:				
Tax loss	620,201	733,331	469,497	469,497
Unutilised tax credit (capital allowance)	1,146,512	1,355,646	867,920	867,920
	1,766,713	2,088,977	1,337,417	1,337,417
23.2 Deferred tax liabilities				
Deferred tax liability	2,539,634	2,915,065	873,115	873,115
Current	-	-	-	-
Non-current	2,539,634	2,915,065	873,115	873,115
	2,539,634	2,915,065	873,115	873,115
Movement in deferred tax liabilities				
At 1 January	2,915,065	1,953,826	873,115	908,594
Charge/(release) in the period	-	961,239	-	(35,480)
Adjustment (Note 23.1a)	(375,432)	-	-	-
At 30 June 2025	2,539,634	2,915,065	873,115	873,115
The break down of deferred tax liabilities are as follows:				
Property and equipment	(145,601)	(167,125)	(50,057)	(50,057)
Provisions	2,685,235	3,082,190	923,172	923,172
	2,539,634	2,915,065	873,115	873,115

23.1a The adjustment relates to the balances of Atiat that has been derecognised from the Group as a result of the divestment.

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For the period ended 30 June 2025

	Group		Company	
	30 June	31 December	30 June	31 December
	2025	2024	2025	2024
	₦'000	₦'000	₦'000	₦'000
24 Funds under management - liabilities				
FUM placements	82,273,959	49,599,852	-	-
Investment securities	-	-	-	-
	<u>82,273,959</u>	<u>49,599,852</u>	<u>-</u>	<u>-</u>
Current	82,273,959	49,599,852	-	-
Non-current	-	-	-	-
	<u>82,273,959</u>	<u>49,599,852</u>	<u>-</u>	<u>-</u>
25 Borrowings				
Borrowings from related parties	3,689,861	2,333,517	38,056,593	29,925,391
Borrowing from banking institutions	8,190,329	6,748,483	3,677,979	2,840,519
Commercial note and private placement investment	110,406,457	112,235,386	56,443,138	51,130,811
Other borrowings	<u>1,224,522</u>	<u>110,191</u>	<u>848,200</u>	<u>64,728</u>
	<u>123,511,168</u>	<u>121,427,577</u>	<u>99,025,910</u>	<u>83,961,449</u>
Current	20,875,181	20,875,181	19,410,796	19,410,796
Non-current	<u>102,635,987</u>	<u>100,552,396</u>	<u>79,615,115</u>	<u>64,550,654</u>
	<u>123,511,168</u>	<u>121,427,577</u>	<u>99,025,910</u>	<u>83,961,449</u>
Borrowings represents funds obtained from different parties with tenor ranging from one to three years and with an interest ranging from 5% to 25%				
26 Other liabilities				
Financial liabilities				
Due to related entities	17,346,068	608,147	37,365	39,365
Accounts payable	10,287,419	16,795,156	6,217,019	8,563,218
Accrued expenses	2,275,786	2,305,809	704,092	763,566
Non financial liabilities				
Other payables*	6,304,116	5,498,678	932,562	1,530,342
	<u>36,213,389</u>	<u>25,207,790</u>	<u>7,891,038</u>	<u>10,896,491</u>
Current	36,213,389	25,207,790	7,891,038	10,896,491
Non current	-	-	-	-
	<u>36,213,389</u>	<u>25,207,790</u>	<u>7,891,038</u>	<u>10,896,491</u>
27 Deposit liabilities				
Current deposits	9,090,659	12,469,580	-	-
Savings deposits	10,238,475	8,825,459	-	-
Term deposits	21,275,072	13,571,245	-	-
Unclaimed deposits	<u>20,964</u>	<u>34,199</u>	<u>-</u>	<u>-</u>
	<u>40,625,171</u>	<u>34,900,483</u>	<u>-</u>	<u>-</u>
Current	40,625,171	34,900,483	-	-
Non current	-	-	-	-
	<u>40,625,171</u>	<u>34,900,483</u>	<u>-</u>	<u>-</u>
28 Current tax liabilities				
Per statement of financial position:				
At 1 January	3,092,376	1,772,426	725,811	538,269
Charge for the year (Note 10)	1,027,886	1,642,716	331,145	245,953
WHT credit note utilisation during the year	(467,758)	(66,253)	(182,254)	(51,512)
Tax paid	<u>(295,867)</u>	<u>(256,513)</u>	<u>(55,757)</u>	<u>(6,899)</u>
At 30 June/December	<u>3,356,638</u>	<u>3,092,376</u>	<u>818,945</u>	<u>725,811</u>

The charge for income tax in these financial statements is based on the provisions of the Companies Income Tax Act 2004 as amended, while Education Tax is based on Tertiary Education Trust Fund (Establishment, etc.) Act, 2011.

Income tax liability is to be settled within one year.

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29 Share capital

Ordinary shareholding

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to vote at meetings of the Company. All ordinary shares rank pari-passu with the same rights and benefits at meetings of the Company.

The share capital comprises:

(i) Stated capital (iii)

7,601,094,600 shares of 50k each

(ii) Issued and fully paid -shares of 50k each

At 1 January 2025

Rights issue

Bonus issue

	Group		Company	
	30 June 2025	31 December 2024	30 June 2025	31 December 2024
	₦'000	₦'000	₦'000	₦'000
	3,800,547	633,425	3,800,547	633,425
	633,425	95,014	633,425	95,014
	-	31,671	-	31,671
	3,167,123	506,740	3,167,123	506,740
	3,800,548	633,425	3,800,548	633,425

30 Share premium

Share premium is the excess paid by shareholders over the nominal value for their shares.

At 1 January 2025

Rights issue

Bonus issue

Reclassification

At 30 June / December

	19,216,943	7,880,427	19,216,943	7,880,427
	-	11,843,256	-	11,843,256
	(3,167,123)	(506,740)	(3,167,123)	(506,740)
	(103,849)	-	(103,849)	-
	15,945,971	19,216,943	15,945,971	19,216,943

31 Retained earnings

Retained earnings represent undistributed profits, net of statutory appropriations attributable to the ordinary shareholders.

At 1 January 2025

Opening balance adjustment

Restated opening balance as at 1 January

Transfer from profit or loss account

Transfer from other reserve

Transfer to statutory reserve

Dividend paid during the year

Transfer from reserves

At 30 June 2025

	10,876,675	4,964,373	4,090,440	1,906,936
	-	-	-	-
	10,876,675	4,964,373	4,090,440	1,906,936
	3,718,621	6,264,938	1,174,058	2,183,506
	103,334	(169,339)	103,334	-
	-	(183,296)	-	-
	(3,167,123)	-	(3,167,123)	-
	4,147,917	-	4,147,917	-
	15,679,424	10,876,675	6,348,626	4,090,442

32 Regulatory risk reserve

The regulatory risk reserve represents the cumulative difference between the loan loss provision determined per the Prudential Guidelines of the Central Bank of Nigeria and the Central Bank of other subsidiaries vis-a-viz the allowance/reserve for loan losses as determined in line with the principles of IFRS 9

At 1 January

Transfer from reserve

At 30 June 2025

	185,424	16,085	-	-
	-	169,339	-	-
	185,424	185,424	-	-

33 Statutory reserves

This represents the cumulative amount set aside from general reserves/retained earnings by the subsidiaries in line with the requirement of the various central banks. Nigerian banking regulations require the Microfinance Bank, one of the subsidiaries of the Group, to make an annual appropriation to a statutory reserve. Transfer to statutory reserve is made at the rate of 50% of the profit after tax in line with the requirements of the Regulatory and Supervisory framework for Microfinance Banks in Nigeria issued by the Central Bank of Nigeria.

The Other Non-Nigerian subsidiary, Cedi Capital Microfinance Bank Ltd, also makes appropriation which is based on its profit and in line with the requirement of the Bank of Ghana. This amount is non-distributable.

At 1 January

Transfer from reserve

At 30 June / December

	392,698	209,402	-	-
	-	183,296	-	-
	392,698	392,698	-	-

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34 Other reserves

This warehouses the fair value movement on equity and debt instruments that are carried at fair value through other comprehensive income, exchange differences resulting from the translation to Naira of the results and financial position of Group companies that have a functional currency other than Naira, and merger balances arising from the merger and disposal of some entities within the Group.

	Group		Company	
	30 June 2025 N'000	31 December 2024 N'000	30 June 2025 N'000	31 December 2024 N'000
At 1 January	10,800,230	7,434,061	8,192,534	7,754,480
Impact of adopting IAS 29 as at 1 of January	-	(138,660)	-	-
Restated opening balance as at 1 January	10,800,230	7,295,402	8,192,534	7,754,480
Arising during the year:				
Fair valuation of items that will be subsequently reclassified to profit or loss	-	-	-	-
Fair valuation of items that will not be subsequently reclassified to profit or loss	5,083,317	1,075,111	6,998,426	1,408,875
Transfer to retained earnings	(4,147,917)	-	(4,147,917)	(970,821)
Reclassification	(1,203,286)	-	(103,334)	-
Translation reserve**	3,927,343	2,429,717	-	-
At 30 June/December	14,459,687	10,800,230	10,939,709	8,192,534

*Merger reserve arose from merger and disposal of some entities within the Group

34.1 Fair valuation of items that will not be subsequently reclassified to profit or loss

Net fair value loss/(gain) on investments in quoted equity instruments measured at FVTOCI	6,869,347	858,476	6,998,429	967,637
Transfer of gain/(loss) from OCI to retained earnings on disposal of FVOCI Instruments	-	-	-	(970,821)
	6,869,347	858,476	6,998,429	(3,184)

34.2 Fair valuation on items that may be subsequently reclassified to profit or loss

Net fair value gain/(loss) on investments in debt instruments measured at FVTOCI	-	-	-	-
Net fair value gain/(loss) on investments in other financial instruments measured at FVTOCI	-	-	-	-
	-	-	-	-

35 Non controlling interest

At 1 January	16,420,829	11,931,208		
Arising during the period:				
Profit for the period	1,291,225	2,428,105		
Fair valuation of items that will not be subsequently reclassified to profit or loss	1,786,030	634,539		
Translation reserve	1,379,877	1,426,977		
Adjustment (Note 35.1)	(2,986,836)	-		
Dividend paid	-	-		
	17,891,125	16,420,829	-	-

35.1 The adjustment relates to the elimination of Atiat Limited non controlling interest arising as a result of divestment from the entity by the Group during the period.

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36 Related parties

Parties are considered to be related if one party has the ability to control the other party or exercise influence over the other party in making financial and operational decisions, or one other party controls both. The definition includes subsidiaries, associates, joint ventures as well as key management personnel.

36.1 Identity of related parties

Company	Relationship	Place of Incorporation	Primary Business Operation
VFD Group Plc	Ultimate Parent Company	Nigeria	Investment company
VFD Microfinance Bank Limited	Subsidiary of VFD Group	Nigeria	Microfinance banking services
Template Limited	Subsidiary of VFD Group	Nigeria	Provider of lending services
Anchoria Asset Management Limited	Subsidiary of VFD Group	Nigeria	Investment and fund management
Anchoria Advisory Services Limited	Subsidiary of VFD Group	Nigeria	Issuing house and investment adviser
Anchoria Securities Limited	Subsidiary of VFD Group	Nigeria	Stock brokerage services
Herel Limited	Subsidiary of VFD Group	Nigeria	Real estate & hospitality
VFD Tech Limited	Subsidiary of VFD Group	Nigeria	IT infrastructure and development
VFD Ghana Limited	Subsidiary of VFD Group	Ghana	Investment company
Movis Logistics Limited (iii)	Subsidiary of VFD Ghana	Ghana	Logistics and haulage company
Cedi Capital Microfinance Bank Ltd (iv)	Subsidiary of VFD Ghana	Ghana	Microfinance banking services
Rockshield Assets Management Limited	Associate of VFD Group	Nigeria	Physical security company
Movis Nigeria Limited	Associate of VFD Group	Nigeria	Logistics and haulage company
Product Studio Limited	Associate of VFD Group	Nigeria	Digital product development
O'Spaces Nigeria Limited	Associate of Herel Limited	Nigeria	Building construction services
HSE Gourmet Limited	Associate of Herel Limited	Nigeria	Comfort-food style restaurant services
EBAR Metro	Associate of Herel Limited	Nigeria	Relaxation, leisure and homestyle cookings services

37 Events after reporting period

There was no event after the reporting period that should be included in the unaudited consolidated and separate financial statements.

38 Non audit services

There was non-audit service that requires disclosure in this aspect.

39 Contraventions

We are not aware of any contravention during the reporting period under review.

40 Comparatives

Certain disclosures and some prior year figures have been re-presented to conform with current period presentation